



Poland Daily

HEADLINES:

POL: At press conference yesterday NBP President Adam Glapinski said that there were no conditions for rate hike now. He stressed that November would be important date for the MPC and reiterated what conditions would be sufficient to trigger rate hike. The main condition for rate hike would be persistently high inflation in the coming months supplemented with new NBP inflation projection showing inflation above the upper bound of MPC target in medium term. Other conditions would be robust economic growth and healthy labour market (and no negative pandemic shocks in near future). NBP President said that the current level of exchange rate was beneficial for Poland's economy and repeated that the central bank stands ready for counteracting any rapid movements in PLN exchange rates.

EMU: ECB President Christine Lagarde informed that the pace of asset purchases under PEPP in Q4 2021 would be slightly reduced from the current EUR80bn per month.

THE DAY AHEAD...

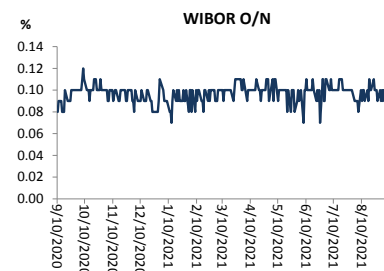
CZK: Inflation (Aug)

USA: PPI (Aug), wholesale inventories (Jul,F)

TODAY'S FOCUS:

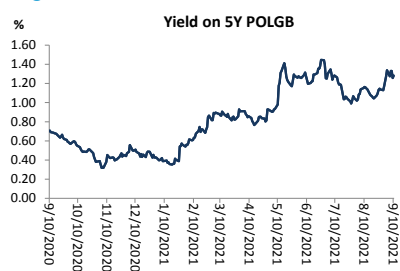
Today economic calendar contains US PPI for August and wholesale inventories for July and Czech inflation for August.

Figure 1: WIBOR O/N



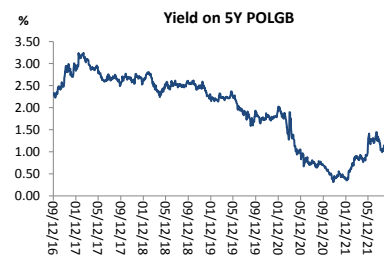
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
CZK	7:00	Inflation (Aug)			
USA	12:30	PPI (Aug)		0.7% (4.1%)	0.2% (3.6%)
USA	12:30	Wholesale inventories (Jul)			0.6%
					0.6%



Foreign Exchange

Today in the morning the zloty was 0.2% weaker versus the USD and was 0.3% weaker versus the EUR compared to previous NBP fixing. The zloty weakened as expectations of rate hike in coming months were reduced after comments from NBP President Glapinski at press conference. The zloty should be moving within a range of 4.5150-4.5600 PLN per EUR today.

The USD weakened by 0.1% versus the EUR after ECB meeting yesterday.

Fixed Income

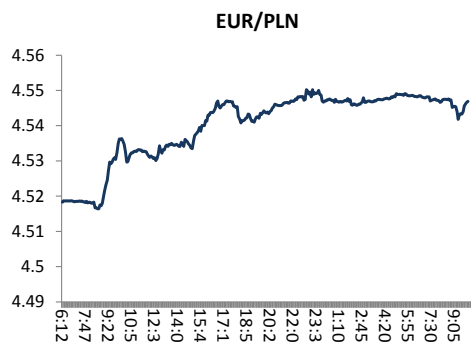
The yields on Poland's government bonds rose by 4bps in 5-year sector and increased by 4bps in 10-year one.

Interest Rates

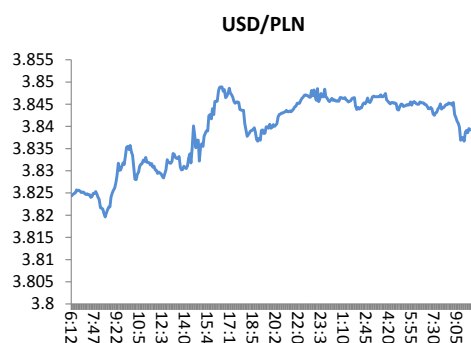
Today the O/N bid rate should be within a range of -0.12% - -0.08%. Swap rates were 4bps up in 5-year sector and rose by 7bps in 10-year sector.

Equities

Yesterday the Dow Jones index closed 0.43% down and the S&P 500 index fell by 0.46%. Today in the morning the FTSE 100 index was 0.32% up, the CAC 40 index was 0.28% up and the DAX index was 0.12% up. The Nikkei index closed 1.25% up today. Today in the morning the WIG index was 0.62% up and the WIG20 index was 0.75% up.



Source: Bloomberg

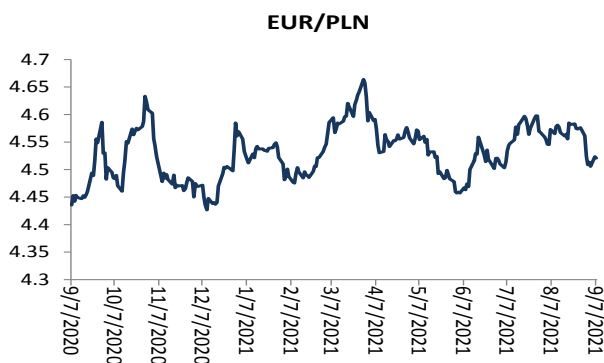


Source: Bloomberg

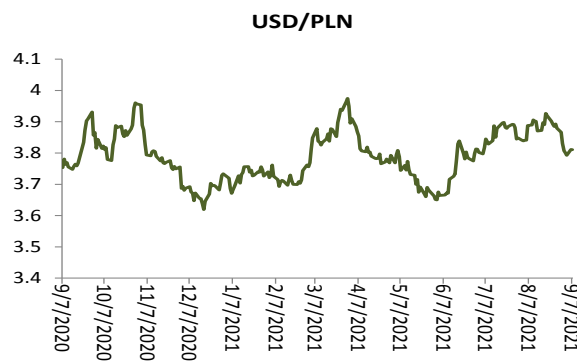


Source: Bloomberg

Medium term FX trends:



Source: Bloomberg



Source: Bloomberg



Appendix 1

Important Disclosures

Additional information available upon request

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 1,744,449,384 paid up in full.

Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krześniak